



# Treasury Runway Analysis

# Gitcoin Treasury: Treasury Makeup

# Treasury Wallet Summary

## Wallet Balances (\$USD)

Address	GTC	Stablecoin	Other	Total
0x44Aa9c5a034C1499Ec27906E2D427b704b567ffe	\$69,295,306	–	–	\$69,295,306
0x57a8865cfB1eCEf7253c27da6B4BC3dAEE5Be518	\$60,777,363	–	–	\$60,777,363
0xa7aC9f7087d7197e0047DB9A90562a1364bf897D	\$838,666	–	–	\$838,666
0x5dd4721bb322499616d827be45c93f55d9181bc3	\$729,778	\$106,208	\$106	\$836,092
0xC23DA3Ca9300571B9CF43298228353cbb3E1b4c0	\$666,142	\$109,049	\$2,085	\$777,276
0xeAc4387d84ABEdC6987888bF4b2D09C24013f41	\$326,101	\$148,359	\$451	\$474,911
0x931896A8A9313F622a2AFCA76d1471B97955e551	\$138,165	\$87,104	\$361	\$225,630
0xD4567069C5a1c1fc8261d8Ff5C0B1d98f069Cf47	\$229,870	\$112,458	\$20,090	\$362,417
0x756239E5B7D2aa6F3DA0594B296952121Fb71606	\$46,607	\$4,757	\$252	\$51,616
0xbc4C3D4c6cCA25d5704b6d6841BA75882b8F061B	\$8,627	\$35,620	\$472	\$44,720
0x0625C8506a292846227b87Dfb245a692a7d06293	\$10,514	\$17,257	\$82	\$27,853
0x6BF1EBa9740441D0A8822EDa4E116a74f850d81B	–	\$5,380	\$2,451	\$7,832
0x230Fc981F7CaE90cFC4ed4c18F7C178B239e5F9F	–	\$139	\$95	\$234
0xb24e82384Ff49CB58DEE244C72f15A71C02b74c5	–	\$30,000	\$45	\$30,045
<b>Total</b>	<b>\$133,067,140</b>	<b>\$656,332</b>	<b>\$26,490</b>	<b>\$133,749,961</b>
<b>Total (Less: Vester)</b>	<b>\$63,771,833</b>	<b>\$656,332</b>	<b>\$26,490</b>	<b>\$64,454,655</b>

← Vester Wallet



Source: ApeBoard as of 7/5/22.

Note: Prices shown as of UTC Close 7/5/22.

# Current State of the Treasury

Treasury Makeup (Current)			
Token	#	\$	%
Vested GTC	24,262,116	\$63,771,833	47.7%
Unvested GTC	26,363,531	\$69,295,306	51.8%
Stablecoin	\$656,332	\$656,332	0.5%
Other	N/A	\$26,490	0.0%
<b>Total</b>		<b>\$133,749,961</b>	<b>100.0%</b>
<b>Total GTC</b>		<b>\$133,067,140</b>	<b>99.5%</b>
<b>Total Non-GTC</b>		<b>\$682,821</b>	<b>0.5%</b>

# Diversification Impact

	Diversification Assumptions		
	Investors	OTC	Total
Amount	\$12,000,000	\$3,000,000	\$15,000,000
Discount	30%	5%	26%
GTC Sell Price	\$1.84	\$2.50	\$1.94
GTC Sold	6,522,033	1,201,427	7,723,460

## Treasury Makeup (\$3M OTC Diversification)

Token	#	\$	%
Vested GTC	23,060,689	\$60,613,939	45.4%
Unvested GTC	26,363,531	\$69,295,306	51.9%
Stablecoin	3,656,332	\$3,656,332	2.7%
Other	N/A	\$26,490	0.0%
<b>Total</b>		<b>\$133,592,066</b>	<b>100.0%</b>

<b>Total GTC</b>	<b>\$129,909,245</b>	<b>97.2%</b>
<b>Total Non-GTC</b>	<b>\$3,682,821</b>	<b>2.8%</b>

## Treasury Makeup (\$12M VC + \$3M OTC Diversification)

Token	#	\$	%
Vested GTC	16,538,656	\$43,471,082	33.8%
Unvested GTC	26,363,531	\$69,295,306	53.9%
Stablecoin	15,656,332	\$15,656,332	12.2%
Other	N/A	\$26,490	0.0%
<b>Total</b>		<b>\$128,449,209</b>	<b>100.0%</b>

<b>Total GTC</b>	<b>\$112,766,388</b>	<b>87.8%</b>
<b>Total Non-GTC</b>	<b>\$15,682,821</b>	<b>12.2%</b>

***A stablecoin fundraise would provide near-term operating runway stability but at the cost of lowering the overall value of the treasury***



# GTC Price Since Token Launch



**GTC is down nearly 90% since its all-time high last November**



Source: CoinGecko as of 7/5/22.  
Note: Prices shown as of UTC Close 7/5/22.

# Gitcoin Treasury: Illustrative Runway

# Key Assumption Vectors

- 1. Treasury Makeup:** Any stablecoin diversification is likely to come at a discount to current GTC prices, an increase fundraise will likely come with the tradeoff of a smaller treasury balance in exchange for decreased runway volatility. **We've assumed three scenarios: "Status Quo" (no diversification), a \$3M OTC stablecoin diversification, and a \$15M VC + OTC stablecoin diversification.**
- 2. Assumed Monthly Expenses:** Season 14 budget indicates an assumed ~\$3.5M quarterly spend. For the purposes of this analysis, we've assumed three scenarios of **\$0.8M, \$1.2M, and \$1.6M average monthly spend.**
- 3. Expense Denomination Breakdown:** Given the current treasury makeup, monthly budgets are requested and granted in terms of USD and paid out in GTC. **In the status quo scenario we've assumed 100% of future expenses to be funded by GTC. In the event of a stablecoin fundraise we've assumed 100% of expenses to be funded by stablecoin and until funds are exhausted, GTC thereafter.**
- 4. GTC Price:** While predicting future prices and market environment is impractical, **we've chosen to run our analyses at three different average future prices for GTC: \$0.25, \$2.63, and \$5.00.** \$0.25 is a GTC bear case, \$2.63 is the current GTC price at the time of this analysis, \$5.00 represents a ~100% premium to today's price. These prices are illustrative.





# Illustrative Runway – Status Quo

- Given the GTC concentration, Gitcoin runway is highly variable on the price of GTC
- Base case treasury runway is estimated at **9.3 years** assuming current burn rate to continue at roughly today's prices
- Assuming an illustrative \$0.25 bear case price, treasury runway is estimated at **<1 year**

		Years of Gitcoin Runway (Incl. Unvested GTC)			
		Avg. GTC Price			
		\$0.25	\$2.63	\$5.00	
Avg. Monthly Spend	\$800,000	1.4	13.9	26.4	
	\$1,200,000	0.9	9.3	17.6	
	\$1,600,000	0.7	7.0	13.2	
		Excluding Unvested GTC			
		\$1,200,000	0.5	4.5	8.5



# Illustrative Runway – \$3M Stablecoin Diversification

- A \$3M raise likely provides stablecoin coverage for operating expenses for **roughly a quarter**
- Base case treasury runway is estimated at **9.3 years** assuming current burn rate to continue at roughly today's prices
- Assuming an illustrative \$0.25 bear case price, treasury runway is estimated at **~1 year**

		Years of Gitcoin Runway (Incl. Unvested GTC)			Stables Runway
		Avg. GTC Price			
		\$0.25	\$2.63	\$5.00	
Avg. Monthly Spend	\$800,000	1.7	13.9	26.1	0.4
	\$1,200,000	1.1	<b>9.3</b>	17.4	<b>0.3</b>
	\$1,600,000	0.8	7.0	13.1	0.2
		Excluding Unvested GTC			
		\$1,200,000	0.7	4.5	8.3

***A \$3M diversification provides a bit of downside protection but ultimately does not materially change the anticipated runway of the DAO at current burn rates***



# Illustrative Runway – \$15M Stablecoin Diversification

- A \$15M raise likely provides stablecoin coverage for operating expenses for **roughly a year**
- Base case treasury runway is estimated at **8.9 years** assuming current burn rate to continue at roughly today's prices
- Assuming an illustrative \$0.25 bear case price, treasury runway is estimated at **1.5 – 2.0 years**

		Years of Gitcoin Runway (Incl. Unvested GTC)			Stables Runway
		Avg. GTC Price			
		\$0.25	\$2.63	\$5.00	
Avg. Monthly Spend	\$800,000	2.8	13.4	24.0	1.6
	\$1,200,000	1.8	<b>8.9</b>	16.0	<b>1.1</b>
	\$1,600,000	1.4	6.7	12.0	0.8
		Excluding Unvested GTC			
		\$1,200,000	1.4	4.1	6.8

***A \$15M diversification provides funding for ~1 year of expenses while roughly doubling bear case runway and lowering base case runway by 3-6 months***



# Additional Qualitative Considerations

1. **GTC Sell-Pressure:** While this analysis simply factors in illustrative average go-forward average GTC prices irrespective of spend denomination, it can be reasonably assumed that month-to-month GTC spend puts downward pricing pressure on GTC relative to month-to-month stablecoin spend.
2. **Donations / Revenue Generation:** Cash inflow from future donations or revenue generation is not currently considered in this analysis. Any efforts to drive donations or other revenue generating activities would offset go-forward expenses and increase runway.
3. **Additional Fundraises:** This analysis simply assumes an initial stablecoin fundraise with all expenses thereafter funded first by stablecoin and then by the remaining balance of GTC. Opportunistic future fundraises at a relatively higher GTC price point has the potential for decreasing volatility and raising the treasury runway floor.
4. **GTC Expense / Price Offset:** This analysis assumes a given average monthly spend and a given average future GTC price combined with treasury makeup to determine runway. In the event Gitcoin were to moderate and ramp GTC spending during low and high GTC price months, respectively, this would increase runway, potentially materially.

# Connect with Us



**Jordan Stastny**  
*Founder @ Alastor*  
*Contributor @ Llama*

[@jstastny101](#)



**Sam Bronstein**  
*Founder @ Alastor*  
*Contributor @ Llama*

[@Sam\\_Bronstein](#)



## Stay Updated

 [llama.xyz](https://llama.xyz)

 [@llamacommunity\\_](https://twitter.com/llamacommunity_)

 [llama.substack.com](mailto:llama.substack.com)